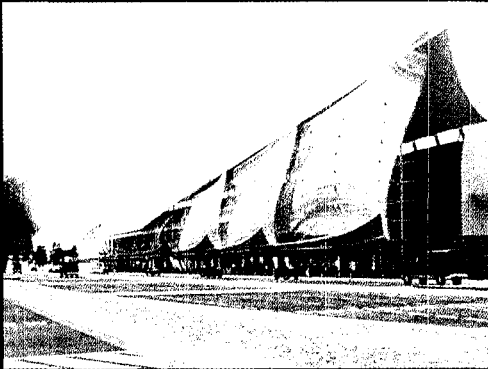


# *City Service Area*

## **Aviation Services**



**North Concourse Building**



**North Concourse Package 1 – Site Preparation and Excavation**

The Aviation Services City Service Area (CSA) is responsible for the operation and development of the Norman Y. Mineta San José International Airport (SJC) in a manner that effectively meets the region's air transportation needs while minimizing the impact of operations on the community. The CSA strives to operate a user-friendly, safe and secure facility, providing quality customer amenities and infrastructure to support the aviation needs of the region. The CSA promotes the Airport as an important Silicon Valley access point and provides stimulus to the local economy through the operation of the Airport. The CSA seeks to mitigate the impacts of Airport operations, such as noise, on surrounding neighborhoods through acoustical noise treatment programs and flight monitoring.

The upcoming five-year cycle continues to present many challenges to the Aviation Services CSA. The Adopted 2006-2010 CIP is about one third the size of the 2005-2009 CIP. Much like passenger levels, the region's economy appears to have stabilized but economic growth at levels that took place in the 1990's is not expected to return. The current program, which defers non-security related projects outside the CIP, is a reflection of the balancing of several factors. These include anticipated demand for facilities, maintenance of reasonable rates and charges, service level impacts, and uncertain timing of economic recovery.

The Airport's Capital Program is focused on the implementation of security-related projects, the largest of which is the North Concourse Building. The implementation of the non-security projects will be driven largely by market conditions. The schedules for these projects will likely need to be delayed or accelerated in the future in response to changes in the factors previously noted.

### ■ Airport Capital Program

# City Service Area Aviation Services

## Recent Accomplishments

- Performed outreach to over 26 community groups regarding the Food, Beverage and Retail Space RFP process.  
(July 2004-June 2005)
- Completed the Remote Transmitter Receiver Relocation project.  
(August 2004)
- Completed the 30L Extension project.  
(October 2004)
- Completed the Gate A1-C Relocation project.  
(October 2004)
- Completed the Alaska Holdroom project.  
(November 2004)
- Completed the Burger King and Starbucks projects.  
(February/March 2004)
- Preparation of North Concourse Package 1 - Site Preparation and Excavation project.  
(est. completion August 2005)

## Program Highlights

### Airport Capital Program

2006-2010 Adopted CIP: \$792.8 million

**Airport Security Projects in CIP:** \$273.5 million in security related projects are anticipated during the Five-Year CIP. Some of the projects are listed below:

**North Concourse Building:** \$194.4 million provides for the continuation of construction, which includes the baggage screening equipment, security screening space, ticketing and baggage claim operations, holdroom and jet bridge gates.

**Airline Maintenance Facility and Belly-Freight Facility:** \$46.6 million provides facilities for belly cargo operations and ground support equipment displaced by the implementation of the ATSA requirements.

**Air Cargo Screening:** \$6.5 million to provide space for the cargo explosive detection screening operations.

**Security Identification Display Area:** \$1.5 million to begin the design support that will reconfigure the airside security perimeter and access control systems as mandated by the Transportation Security Administration.

### Airport Non-Security Projects in CIP:

**Other Master Plan Projects:** \$490.7 million for other projects planned during this five-year period, which includes Taxiway Y Reconstruction, Taxiway Z Alignment, the North Concourse Roadway Mitigation, and Public Art.

**Noise Attenuation Treatment (Airport Acoustical Treatment [ACT] Program):** \$28.6 million to continue funding treatment for approximately 1,200 residences.

## CSA OUTCOMES

(Supported by the Capital Programs)

- ✓ The Airport is the Region's First Choice for Air Transportation Services
- ✓ Travelers Have a Positive Guest Experience While Using the Airport
- ✓ Businesses Consider the Airport as a Partner in Supporting the Success of the Regional Economy
- ✓ The Airport is Considered to be a "Good Neighbor" by the Community

# City Service Area Aviation Services

## Performance Measures

San José's approach to capital project delivery has transitioned from a department level delivery system to a City Service Area (CSA) delivery system during the last few years. A set of consistent and comprehensive performance measurements along with targets and goals have been established for the entire capital program and adopted for each individual CSA. Measures have been established for four key areas: schedule (cycle time), cost, quality, and customer satisfaction. Please see the Budget Guide section narrative for additional information on capital performance measurements.

### *Outcome: The Airport is the Region's First Choice for Air Transportation*

5 Year Strategic Goals		2006-2010 5-yr Goal	2004-2005 1-yr Target	2004-2005 Estimate	2005-2006 1-yr Target	2006-2007 2-yr Target
Aviation CSA delivers CIP projects on-time and on-budget	1. % of CIP projects delivered* within 2 months of approved baseline schedule	85%	85%	92% 24/26	85%	85%
	2. % of CIP projects that are completed** within the approved baseline budget	90%	90%	86% 6/7	90%	90%
	3. project delivery costs (exclusive of city-wide overhead) as % of total construction cost for completed projects with construction costs					
	less than \$500,000-	31%	31%	N/A***	31%	31%
	between \$500,000 and \$3M-	23%	23%	43%	23%	23%
	greater than \$3M-	15%	15%	26%	15%	15%
	Total (all construction costs)-			27%		
	4. % of operations and maintenance divisions rating new or rehabilitated capital facilities as being functional and sustainable after first year of use	80%	80%	85%	80%	80%
	5. % of customers rating new or rehabilitated CIP projects as meeting established goals (4 or better based on a scale of 1-5)	85%	85%	65%	85%	85%

#### Notes:

\* Projects are considered to be "delivered" when they are available for their intended use.

\*\* Projects are considered to be "completed" when final cost accounting has occurred and the project has been accepted.

\*\*\* No projects in this category.

In 2004-2005, the Aviation Services CSA delivered an estimated 92% of projects within two months of the approved baseline schedule, which is well in excess of the one- and two-year targets of 85%. Six of its seven projects accepted this fiscal year were delivered within their original baseline budget, with one project experiencing construction coordination issues which resulted in higher than expected project costs.

### **Performance Measures (Cont'd.)**

This is the first fiscal year in which project delivery cost results are being presented. As previously reported, the City changed to a new accounting system during the last few years, allowing project expenditures to be accounted by phases and enabling delivery costs to be calculated. Results have been calculated based on the four projects accepted during FY 2004-2005 for which data is available under the new cost accounting structure. While this relatively small sample size may not be representative of overall delivery performance, staff continues to identify opportunities to make improvements to project delivery in order to bring delivery costs more in-line with targets.

The first operations, maintenance, and customer satisfaction surveys were conducted this year. Because these performance measurements are new, staff conducted surveys on a representative sample of projects to assess the surveying process. Staff is analyzing survey results to determine what type of improvements should be incorporated into future projects. Staff is also evaluating more effective methods of conducting these surveys, including improvements to the structure and format, which will yield a higher percentage of returned surveys.

Staff is continuing to collect data on performance measurements and will be reporting final year-end results later in the fall.

# Capital Program Summary by City Service Area

## Aviation Services

	2005-2006 Budget	2006-2010 CIP Budget	Total Budget (All Years)	Start date	End date
<b><u>Airport Capital Program</u></b>					
ACC Power Source Replacement		208,000	208,000	3rd Qtr. 2007	1st Qtr. 2008
ACM Demolition		887,000	887,000	3rd Qtr. 2007	2nd Qtr. 2010
ACM Site Preparation/RTR Demolition	42,000	42,000	265,000	3rd Qtr. 2004	3rd Qtr. 2005
APM Terminal Zone Refinement		793,000	968,000	3rd Qtr. 2006	2nd Qtr. 2010
AVI System Replacement		788,000	788,000	3rd Qtr. 2006	2nd Qtr. 2007
Advanced Planning	700,000	5,680,000	*	Ongoing	Ongoing
Aerial Photos		41,000	41,000	3rd Qtr. 2008	2nd Qtr. 2009
Air Cargo Screening		6,497,000	6,497,000	1st Qtr. 2007	3rd Qtr. 2009
Airfield Sign Replacement		1,247,000	1,247,000	3rd Qtr. 2007	1st Qtr. 2009
Airline Maintenance Facility	15,431,000	15,431,000	17,000,000	2nd Qtr. 2003	2nd Qtr. 2007
Airport Blvd. - Terminal Drive (North) Traffic Mitigation		5,977,000	5,977,000	1st Qtr. 2007	3rd Qtr. 2010
Airport Blvd. Landscaping and Sidewalk		5,926,000	5,974,000	3rd Qtr. 2008	3rd Qtr. 2011
Airport Blvd. North Sidewalk		179,000	179,000	3rd Qtr. 2008	4th Qtr. 2009
Airport Blvd. Slurry Seal		382,000	382,000	3rd Qtr. 2006	4th Qtr. 2007
Airport Blvd. Utilities North of Airport Parkway		15,998,000	16,392,000	3rd Qtr. 2008	3rd Qtr. 2010
Airport Boulevard Express Exit Lane	95,000	5,602,000	5,602,000	3rd Qtr. 2005	2nd Qtr. 2009
Airport Boulevard/Airport Parkway ASTRA Compliance	21,000	116,000	116,000	3rd Qtr. 2005	1st Qtr. 2007
Airport Boulevard/Airport Parkway Grade Separation		5,289,000	41,359,000	3rd Qtr. 2008	4th Qtr. 2014
Airport Entrance Identity		1,046,000	1,046,000	3rd Qtr. 2006	2nd Qtr. 2008
Airport Signage Program	100,000	528,000	528,000	3rd Qtr. 2005	2nd Qtr. 2008
Baggage Screening Phase II	1,141,000	1,141,000	1,654,000	2nd Qtr. 2003	TBD
Belly-Freight Facility		26,596,000	26,596,000	1st Qtr. 2007	1st Qtr. 2010
Bike/Ped Path - North		382,000	382,000	3rd Qtr. 2008	1st Qtr. 2010
Building Modifications	500,000	2,764,000	*	Ongoing	Ongoing
Building Trades Contract	155,000	155,000	*	Ongoing	Ongoing
Camera for Curfew Enforcement	19,000	19,000	105,000	3rd Qtr. 2004	3rd Qtr. 2005
Cargo Ramp Security and Taxiway Improvements	25,000	25,000	13,223,000	2nd Qtr. 2003	4th Qtr. 2005
Central Garage, Phase 1		44,913,000	332,307,000	3rd Qtr. 2008	3rd Qtr. 2013
Central Garage, Phase 2		5,984,000	188,948,000	3rd Qtr. 2008	1st Qtr. 2015

# Capital Program Summary by City Service Area

## Aviation Services

	2005-2006 Budget	2006-2010 CIP Budget	Total Budget (All Years)	Start date	End date
<b>Airport Capital Program (Cont'd.)</b>					
Central Plant Expansion	5,481,000	5,481,000	6,459,000	3rd Qtr. 2003	4th Qtr. 2007
Checkpoint Terminal A	1,547,000	1,547,000	1,654,000	2nd Qtr. 2003	TBD
Checkpoint Terminal C	1,342,000	1,342,000	1,654,000	2nd Qtr. 2003	TBD
Computerized Maintenance Management System	530,000	530,000	530,000	3rd Qtr. 2004	2nd Qtr. 2006
Demolition of 1253,1277,1311 Airport Blvd. Buildings	344,000	2,198,000	2,217,000	3rd Qtr. 2004	2nd Qtr. 2007
Demolition of Air Freight Facility		702,000	702,000	3rd Qtr. 2008	2nd Qtr. 2010
Electrical Distribution System	1,448,000	1,448,000	1,617,000	3rd Qtr. 2003	1st Qtr. 2008
Elements of the Master Plan Studies	1,018,000	1,018,000	5,517,556	2nd Qtr. 2003	2nd Qtr. 2006
Environmental Plans	87,000	548,000	548,000	3rd Qtr. 2005	2nd Qtr. 2010
Equipment, Operating	517,000	941,000	*	Ongoing	Ongoing
Ewert Road Landscaping		853,000	853,000	3rd Qtr. 2008	2nd Qtr. 2010
FMC Site Reuse Preparation	15,180,000	15,180,000	17,000,000	1st Qtr. 2005	4th Qtr. 2006
Fuel Farm Clean-up Study		210,000	410,000	3rd Qtr. 2004	2nd Qtr. 2007
Fuel Farm Improvement and Clean-Up	100,000	100,000	*	Ongoing	Ongoing
Garage Upper Deck Restoration		1,252,000	1,252,000	3rd Qtr. 2008	4th Qtr. 2008
Gate A1-C Relocation	50,000	50,000	1,646,000	3rd Qtr. 2003	2nd Qtr. 2005
General Airport Support Security Grant Project	57,000	57,000	294,341	3rd Qtr. 2002	2nd Qtr. 2006
Hydrant Fuel System		577,000	36,874,000	1st Qtr. 2010	4th Qtr. 2013
Interim Landscaping West of Airport Blvd./Airport Pkwy.		1,320,000	1,320,000	3rd Qtr. 2008	2nd Qtr. 2010
Interim Reuse of Rental Car Lots		5,658,000	5,658,000	4th Qtr. 2006	3rd Qtr. 2008
Land Improvements	100,000	554,000	*	Ongoing	Ongoing
Landscaping Replacements and Modifications	15,000	15,000	*	Ongoing	Ongoing
Master Plan Miscellaneous Precursor Projects	3,695,000	3,695,000	7,000,000	1st Qtr. 2004	4th Qtr. 2007
Materials Screening		305,000	305,000	3rd Qtr. 2006	2nd Qtr. 2007
Misc. Terminal Zone Landside Development		7,179,000	53,669,000	3rd Qtr. 2009	4th Qtr. 2011
New Fuel Storage Facility	313,000	896,000	1,113,000	3rd Qtr. 2005	4th Qtr. 2008
Noise Attenuation Testing - Category III	10,000	58,000	*	Ongoing	Ongoing
Noise Attenuation Treatment - Category I	50,000	50,000	*	Ongoing	Ongoing
Noise Attenuation Treatment - Category IB	19,276,000	28,588,000	*	Ongoing	Ongoing

# Capital Program Summary by City Service Area

## Aviation Services

	2005-2006 Budget	2006-2010 CIP Budget	Total Budget (All Years)	Start date	End date
<b>Airport Capital Program (Cont'd.)</b>					
Noise Attenuation Treatment - Category II/III	135,000	627,000	*	Ongoing	Ongoing
Noise Monitoring Units	130,000	130,000	130,000	3rd Qtr. 2004	4th Qtr. 2006
North Concourse Building	194,402,000	194,402,000	292,148,000	2nd Qtr. 2003	1st Qtr. 2008
North Concourse Ground Transportation Staging Area		1,366,000	1,366,000	3rd Qtr. 2008	2nd Qtr. 2010
North Concourse Roadway Mitigation	14,658,000	15,188,000	16,903,000	3rd Qtr. 2003	2nd Qtr. 2007
Off Airport Traffic Mitigation	68,000	9,835,000	10,666,000	2nd Qtr. 2001	3rd Qtr. 2010
Part 139 Compliance Projects	35,000	262,000	262,000	3rd Qtr. 2005	2nd Qtr. 2007
Pavement Maintenance	600,000	3,657,000	*	Ongoing	Ongoing
Principal and Interest Payments	250,000	250,000	759,000	N/A	N/A
Public Art	1,855,000	3,762,000	3,891,000	Multi-phase	Mult-phase
Relocate ARFF Facility		1,180,000	8,937,000	1st Qtr. 2009	4th Qtr. 2011
Relocate Parking Control Buildings	1,562,000	1,562,000	2,720,000	1st. Qtr. 2005	2nd Qtr. 2006
Relocate Runway 12L/30R RDR Signs		116,000	116,000	3rd Qtr. 2007	4th Qtr. 2008
Reuse of SJSU Facility		1,724,000	1,749,000	4th Qtr. 2008	4th Qtr. 2010
Runway 11/29 REIL	40,000	410,000	410,000	3rd Qtr. 2005	1st Qtr. 2007
Runway Guard Light Replacement		540,000	540,000	3rd Qtr. 2007	4th Qtr. 2008
SE Facilities Service Road		1,563,000	1,598,000	3rd Qtr. 2004	1st Qtr. 2010
Security Identification Display Area (SIDA) Improvements		1,536,000	12,825,000	3rd Qtr. 2009	3rd Qtr. 2013
Sidewalk Improvements South of Terminal C		302,000	302,000	3rd Qtr. 2008	1st Qtr. 2010
Sign Production Vendor	155,000	858,000	*	Ongoing	Ongoing
Signage Design	20,000	113,000	*	Ongoing	Ongoing
South Apron Airside Electrical Distribution		189,000	189,000	4th Qtr. 2006	4th Qtr. 2008
South Apron Airside Utilities		214,000	214,000	4th Qtr. 2006	4th Qtr. 2008
South Apron Replacement, Phase 1		5,675,000	5,675,000	4th Qtr. 2006	2nd Qtr. 2009
South Apron Replacement, Phase 2		3,572,000	28,380,000	3rd Qtr. 2009	2nd Qtr. 2012
South Concourse Building Utilities in Roadway		266,000	1,768,000	4th Qtr. 2008	4th Qtr. 2011
South Concourse Roadway		5,067,000	39,414,000	1st Qtr. 2009	3rd Qtr. 2013
Taxiway Y Reconstruction	38,329,000	38,329,000	39,174,000	3rd Qtr. 2002	2nd Qtr. 2007
Taxiway Z Alignment	817,000	5,787,000	5,991,000	4th Qtr. 2004	2nd Qtr. 2007

## *Capital Program Summary by City Service Area*

### **Aviation Services**

	2005-2006 Budget	2006-2010 CIP Budget	Total Budget (All Years)	Start date	End date
<b>Airport Capital Program (Cont'd.)</b>					
Tenant Plan Review	120,000	664,000	*	Ongoing	Ongoing
Terminal A Entry Door Replacement		262,000	262,000	3rd Qtr. 2006	2nd Qtr. 2007
Terminal A Restroom Renovations		2,521,000	2,734,000	3rd Qtr. 2008	4th Qtr. 2010
Terminal Building Modifications	165,000	835,000	*	Ongoing	Ongoing
Terminal C Apron Lighting	88,000	88,000	1,287,000	2nd Qtr. 2004	3rd Qtr. 2005
Terminal C Carpet Replacement		315,000	315,000	3rd Qtr. 2006	2nd Qtr. 2007
Terminal Zone Development Strategy Study	400,000	400,000	400,000	3rd Qtr. 2005	2nd Qtr. 2006
Transfer to Airport Fiscal Agent Fund (525)		10,556,000	*	Ongoing	Ongoing
Transfer to Airport Revenue Fund (521)	11,374,229	43,051,229	*	Ongoing	Ongoing
Upgrade Airport Parkway Entrance		914,000	914,000	3rd Qtr. 2008	3rd Qtr. 2009
Utility Infrastructure	9,290,000	9,290,000	11,001,000	1st Qtr. 2004	1st Qtr. 2008
<b>Total: Construction/Non-Construction</b>	<b>343,882,229</b>	<b>604,366,229</b>			
Ending Fund Balance	125,539,625	188,419,625	**		
<b>Total: Airport Capital Program</b>	<b>469,421,854</b>	<b>792,785,854</b>	**		
 <b>CSA Total: Construction/Non-Construction</b>	 <b>343,882,229</b>	 <b>604,366,229</b>	 <b>**</b>		
Ending Fund Balance	125,539,625	188,419,625	**		
<b>CSA Total:</b>	<b>469,421,854</b>	<b>792,785,854</b>	<b>**</b>		

\* Total Budget information is not provided due to the ongoing nature of this project.

\*\*The 2005-2006 through 2008-2009 Ending Balances are excluded from the FIVE-YEAR TOTAL USE OF FUNDS to avoid multiple counting of same funds.